

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER:

0 0 — 1 1

2. STATE:

VIRGINIA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

~~MARCH 01, 2001~~ January 27, 2001TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR Part 447

7. FEDERAL BUDGET IMPACT:

a. FFY 2001 \$ 127.5 million

b. FFY 2002 \$ 218.1 million

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D, p 5 of 5.

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

New page to be added-

10. SUBJECT OF AMENDMENT:

Reimbursement Increase for Locally Owned Nursing Facilities

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL☒ OTHER, AS SPECIFIED:

12. SIGNATURE OF STATE AGENCY OFFICIAL:

C. Mack Brankley

13. TYPED NAME:

C. Mack Brankley

14. TITLE:

Acting Director

15. DATE SUBMITTED:

16. RETURN TO:

Dept. of Medical Assistance Services
600 East Broad Street, Ste. 1300
Richmond, Virginia 23219

17. DATE RECEIVED:

1/27/01

FOR REGIONAL OFFICE USE ONLY

18. DATE APPROVED:

JUN 04 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

1/27/01

20. SIGNATURE OF REGIONAL OFFICIAL:

Claudette V. Campbell

21. TYPED NAME:

CLAUDETTE V. CAMPBELL

22. TITLE:

ASSOCIATE REGIONAL ADMINISTRATOR

23. REMARKS:

DIVISION OF MEDICAID & STATE
OPERATIONS

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE VIRGINIA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT
RATES – LONG TERM CARE SERVICES

Subject to legislative authorization as required and the availability of local, State, and Federal funds, and based upon a transfer agreement and the subsequent transfer of funds, DMAS makes additional payments to local government nursing facilities. A local government nursing facility is defined as a provider owned or operated by a county, city, or other local government agency, instrumentality, authority or commission.

DMAS uses the following methodology to calculate the additional Medicaid payments to local government nursing facilities:

- 1) For each State Fiscal Year, DMAS calculates the maximum additional payments that it can make to the local government nursing facilities in conformance with 42 CFR 447.272 (a).
- 2) DMAS determines a total additional payment amount to be made in a manner not to exceed the maximum additional payment amount calculated in step 1 above.
- 3) Using the latest fiscal period for which the local government nursing facilities have completed cost reports on file with DMAS, the Department determines the total Medicaid days reported by each local government nursing facility for that fiscal period.
- 4) DMAS divides the total Medicaid days for each local government nursing facility by the total Medicaid days for all local government nursing facilities to determine the supplementation factor for each.
- 5) For each local government nursing facility, the Department multiplies the local government nursing facility's supplementation factor determined in step 4 above by the total additional payment amount identified in step 2 above to determine the additional payment to be made to each local government nursing facility.

TN No. 00-011
Supersedes
TN No. New page

Approval Date **JUN 04 2001**

Effective Date ~~10/01/00~~
1/27/01